



Aotearoa New Zealand Association of Social Workers
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AOTEAROA NEW ZEALAND ASSOCIATION OF SOCIAL WORKERS (ANZASW)

To the

Social Services Select Committee

Social Security (Youth Support and Work Focus) Amendment Bill

Submissions due 13 April 2012



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1. INTRODUCTION

Aotearoa New Zealand Association of Social Workers (ANZASW) is the professional body for social work in Aotearoa New Zealand with a membership of 3,700 social work professionals who have day-to-day involvement with the most vulnerable people in our society, many of whom will be the target of proposed welfare reforms. Our work is guided by a Code of Ethics that is aligned with the International Federation of Social Workers (IFSW). Our members work at the interface of human interaction with their environment and are well placed to make valuable comment on the implications, and likely effectiveness of, welfare reforms.

Guiding Principles

Social work is founded on principles of human rights and social justice. We are guided by the Treaty of Waitangi and respect the equality, worth and dignity of all people. As stated by the 1988 Royal Commission on Social Policy, we believe “social well-being exists when all members of the community have a reasonable expectation of achieving those things which are generally accepted as necessary for a healthy and happy life”. Our mission is to enable people to develop their full potential; our skill-set is problem solving and facilitation of positive change in individuals, organisations and socio-cultural environments. We recognise the environment contains opportunities for people to be both agents of change and affected by the influences around them. As a profession, we strive to alleviate poverty, foster social inclusion and liberate those who are vulnerable or oppressed. Social work is evidence-based and draws on theories of human development, behaviour and social systems.

Fields of Practice

Social workers respond to crises and emergencies along with the personal or social problems that arise from encountering barriers, inequities and injustices within our society. Our interventions involve problem solving, development of coping strategies, one-on-one counselling and therapy, family and group work, agency administration, community organisation and helping people to access services, resources and opportunities within their community. We work across government and non-government settings including community organisations, iwi agencies, private practice, youth justice, child protection, mental health, addictions and disability. We are involved in research, training, education, professional development, competency assessment, structural analysis and improvement of social policy.

The Youth Support Package

ANZASW has significant concerns about a number of elements in relation to the Youth Support Package.

Redirection of benefit for accommodation and utility costs and the issuing of payment cards for food and groceries

These provisions appear to be destined to apply universally with young people being required to *“earn the right to manage their own payment if they continually met their obligations and are financially competent”*. This approach makes the assumption that all young people receiving benefits are incapable of self management. Neither the Explanatory Notes nor the Legislation provides an indication on how the young people will be assessed as being able to manage their own payments. It is noted that Section 125B (1) (b) specifies that the chief executive *“must require the provider to co-operate with the chief executive”*. This provision confers extraordinary powers on the chief executive to potentially determine how the young people are assessed and being found for example financially competent.

It is acknowledged that education is one of the best pathways to *“lowering the likelihood of being unemployed, earning a higher income and improving social outcomes”*¹ however successful engagement in *“full-time education, training or work-based learning working towards at least NCEA Level 2 qualification or equivalent”*² requires young people to be confident and have a positive attitude to life and those assisting them.

For young people already out of work and facing significant difficulty securing employment these measures are more likely to add to the difficulties faced by young people, increasing the potential of *“poor life outcomes such as learning and behavioural difficulties, mental and physical health problems, alcohol and drug dependency, criminal activity, imprisonment, poor education achievement and employability”*³.

The provisions of this element of the legislation is punitive in its approach and is inconsistent with ANZASW values of *“respect for equality, worth and dignity of all people”*⁴.

There appears to be a link between the Youth Support Package component of the legislation and activity in the education sector. A key element of the Youth Support Package is the requirement to be engaged in *“full-time education, training or work-based learning working towards at least NCEA Level 2 qualifications or equivalent”*. This suggests that young people are not achieving this level of qualification within the New Zealand School system which the Government attributes to poor performance of schools. The Government solution to the poor performance is the development of Charter Schools. Rather than invest funding in an education system, Charter Schools, that research suggests do not consistently have quality outcomes, it would be more appropriate to address the reasons why some young people

¹ Social Security (Youth Support and Work Focus) Amendment Bill p3

² Ibid P3

³ The Green Paper for Vulnerable Children 2011 p 6

⁴ ANZASW Competency Handbook 2008 p10

are not achieving in the current education system and remedy the issues. Countries like Finland have been able to achieve significant outcomes. *“Ninety-three percent of Finns graduate from academic or vocational high schools, and 66 percent go on to higher education, the highest rate in the European Union”*⁵.

Kari Louhivuori, a veteran Finnish teacher and a school principal makes the following observations⁶:

“Nearly 30 percent of Finland’s children receive some kind of special help during their first nine years of school. We try to catch the weak students. It’s deep in our thinking.

Teachers in Finland spend fewer hours at school each day and spend less time in classrooms than American teachers. Teachers use the extra time to build curriculums and assess their students. Children spend far more time playing outside, even in the depths of winter. Homework is minimal. Compulsory schooling does not begin until age 7. “We have no hurry;” “children learn better when they are ready. Why stress them out?”

ANZASW strongly advocates that the New Zealand education system be resourced in a manner that ensures all children and young people are able to achieve their potential and thereby limit the need for state support following secondary school graduation. This of course presupposes that there are jobs for young people. This requires a government commitment to a full employment policy.

Information Sharing: Youth Pipeline

The provisions of this component of the Bill cause significant concern to ANZASW.

It is acknowledged that Section 123G requires the chief executive and the Ministry of Education to consult with:

- the Privacy Commissioner
- persons or organisation that they consider represent the interest of the classes of individuals whose personal information will be shared under the proposed agreement
- any other person or organisation that the parties consider should be consulted

What is of concern is that there is no provision for the young person or their parents/guardians to be involved in or informed about the information sharing and what information is being shared.

Additionally the information sharing powers are wide with Section 125D (1) providing for the information shared to be able to help *“the department perform any function, or exercise any power under Part 5”*. Section 125D (2) allows for information sharing with the young

⁵ Lyn Nell Hancock <http://www.smithsonianmag.com/people-places/Why-Are-Finlands-Schools-Successful.html#ixzz1qMsIH75E>

⁶ Ibid

person's contracted service provider if there is satisfaction that *"the information will help the provider to provide services under a contract under Section 125A"*.

In order to meet their obligations young people receiving state support must improve their educational and social outcomes by:

- being in fulltime education, training or work based learning
- undertake approved budgeting programmes & requirements
- for parents to undertake an approved parenting programme and requirements.

Given the requirements of Section 125B which specify that the chief executive *"must require the provider to co-operate with the chief executive"* the scope for information sharing beyond what is required to meet the stated obligations of young people is unlimited.

These provisions offer little incentive to young people to engage positively with services ostensibly designed to assist them.

Linking with a Service Provider

There appears to be little or no opportunity for young people to be able to select their preferred service provider. Consistent with many provisions of the Youth Support Package it appears the 'the chief executive', the Ministry of Education and contracted service providers will determine who can best meet the needs of the young people without reference to the young person or their parent / guardian.

The Relationship between the Chief Executive and the Service Provider

Sections 125A and 125B outline the process for contracting service providers to work with young people to support their compliance with Section 170. Additional Section 125G specifies that *"actions of service providers to be treated for certain purposes as if actions of [the] department"* with specific provisions that require:

- any action or inaction on the part of a service provider is treated as a action or inaction of an officer of the department
- contracted service providers must be treated as officers of the department
- any acts or omissions by the provider to be treated as acts or omissions by the department.

ANZASW argues that these provisions effectively create a situation where the service provider becomes a unit of 'the department' and their staff become staff of 'the department'. This removes the ability of service providers to advocate for wider social justice and human rights issues in relation to young people or to advocate on behalf of an individual young person they are supporting.

ANZASW contends that while it is appropriate for contracted service providers to be accountable for achieving agreed outcomes this must not be at the expense of independence of the contracted providers. One of the strengths of service provision by non-

governmental organisations is their ability to work in collaboration with government agencies while retaining independence along with the ability to advocate for social justice, human rights, community and individual wellbeing as well as for individual clients where necessary.

Work availability expectations for sole parents, widows, women alone and partners

The Christchurch Methodist Mission identified that “*numbers claiming Domestic Purposes Benefit declined from the late 1990s. There has been a recent increase. The government’s own documents identify this reflects changes in economic conditions – not changes in behaviour or attitudes of beneficiaries*”⁷

No amount of “planning for employment” prescribed in Section 60Q (2) and (3) will ensure that beneficiaries will successfully gain employment if there is no employment available. What the provision does is vilifies beneficiaries not for being in work at a time when employment opportunities are limited. In addition economic policy fails to include full employment as a key driver. At the end of the day job availability is the most important driver for beneficiary employment rather than sanctions and threats of benefit cuts.

ANZASW also adds that employment must be capable of providing a ‘living’ wage and be supported by services such as high quality, affordable pre-school care and out of school care. A person working forty hours a week on the minimum wage of \$13.50 per hour will receive \$540.00 per week (\$28,155.60 per annum). This minimum wage rate means that the employee would be dependent on Working for Families supplements in order to meet financial obligations.

Based on 40 hours a week on the minimum wage a sole parent with 3 children (3, 6 & 10 years for this exercise) owning their own home but with minimal assets could potentially receive:

	Weekly	Weekly Term	Weekly holidays
Accommodation supplement	\$110.00		
Child care 3 yr old @ \$3.91 per hr, 50 hours	\$195.00		
Child care 6 yr old @ \$3.91		20 hours \$78.20	50 hours \$195.00
Child care 10 yr old @ \$3.91		20 hours \$78.20	50 hours \$195.00
School Term Total	\$461.40		
School Holidays Total	\$695.00		

⁷ Christchurch Methodist Mission Welfare “Reform”

The effect is that benefit payments are substituted with Working for Families supplements.

Anecdotal evidence suggests that the vast majority of beneficiaries would prefer to be in employment if a) there was employment available and b) the wage would allow them to meet basic needs and participate fully in community life.

ANSZAW supports the reinstatement of the Training Incentive Allowance for degree level education. Supporting beneficiaries into tertiary degree level education significantly improve their capacity to gain well paid meaningful employment.

Parents on benefit who have subsequent children

It is noted that Paper C – Welfare Reform: Parents on Benefit who have Subsequent Children Clause 8 states *“the paper also proposes financial assistance to help women on benefit access long-acting reversible contraception [LARC], assisting them to decide whether and when to have children”*. Further in clause 39 the paper proposes the *“assistance be made available to women on a benefit with or without children”* and also be made available for *“adult female dependent children of beneficiaries aged sixteen to nineteen who choose to use a long acting reversible contraceptive”*.

ANZASW commends the Government for not implementing this proposal in the Social Security (Youth Support and Work Focus) Amendment Bill.

There is however concern that the women and young women identified above are likely to be pressured to use LARC, which is already free, as a means of reducing births to beneficiaries and their older dependent children. In promoting this approach there appears to be little recognition that for some women use of LARC can result in significant health issues and in young women result in an inability to conceive post reversal.

‘The department’ taking on the role of advising *“whether and when to have children”* will be motivated by limiting children born to beneficiaries or their dependants which could be regarded as venturing into eugenics.

It is contended that in contemporary society it is not appropriate for ‘the department’ to be assisting women to decide whether and when to have children unless the individual specifically requests assistance in this area. This assistance is more likely to be sought from individuals or organisations other than ‘the department’.

In the Ministerial Foreword in the Green Paper for Vulnerable children the Minister of Social Development states *“we have to change our focus so that children always come first and remain at the centre of our thinking. That goes for families, individuals, professionals communities, agencies and across Government”*. While it is acknowledged that being in employment, with a living wage, has a positive outcome many of the small number parents

potentially affected by this legislative change are already “vulnerable” and they or their children would be further disadvantaged by the proposed changes requiring the parent to be work available when the child is one year old.

In relation to children the focus of Sections 60GAD and 60P is improvement of financial and social outcomes for families with “*recognising the care and development needs of children*” being the last consideration to be taken into account. Clearly this is inconsistent with the intent of the Green Paper for Vulnerable Children which aims to have children at the “*centre of our thinking*”.